

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

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| Illinois Commerce Commission |) | |
| On Its Own Motion |) | |
| |) | |
| vs. |) | Docket No. 03-0582 |
| |) | |
| Central Illinois Light Company, |) | |
| Central Illinois Public Service Company, |) | |
| Commonwealth Edison Company, |) | |
| Illinois Power Company, |) | |
| Interstate Power and Light Company, |) | |
| MidAmerican Energy Company, |) | |
| Mt. Carmel Public Utility Company, |) | |
| South Beloit Water, Gas and Electric |) | |
| Company, and |) | |
| Union Electric Company |) | |
| |) | |
| Investigation concerning the unbundling |) | |
| of delivery services under Section 16-109 |) | |
| of the Public Utilities Act. |) | |

**RESPONSE OF AMEREN COMPANIES TO NOTICE OF
REQUEST FOR COMMENTS REGARDING INVESTIGATION
INTO ADDITIONAL UNBUNDLING OF DELIVERY SERVICES**

Pursuant to the Order of the Illinois Commerce Commission (“Commission”) entered on September 22, 2003, in this docket, Central Illinois Light Company d/b/a AmerenCILCO, Central Illinois Public Service Company d/b/a AmerenCIPS, and Union Electric Company d/b/a AmerenUE, collectively the “Ameren Companies”, files these comments in response to the questions posed by the Commission Staff.

Preliminarily, the Ameren Companies state it is their understanding that the Commission’s directive in this docket stems from Section 16-109 of the Public Utilities Act, 220 ILCS 5/16-109, where the Commission is to “ ...open an additional proceeding to again investigate the need for and desirability of different or additional unbundling of delivery services for some or all electric utilities, 3 years after the entry of its final order

in the first investigation proceeding.” The first investigation proceeding was Docket 99-0013 where the Commission declared that metering and billing services should be unbundled. Illinois Commerce Commission, Ill.C.C. Dkt No. 99-0013, Interim Order at 10-11 (April 12, 1999). Subsequent to that proceeding metering and billing services were unbundled. Today, there are rules and tariffs in place that support unbundled meter services and the regulation of Meter Service Providers, and the single bill option.

In the notice issued by the Commission in this proceeding, the Staff seeks input or responses to two questions. The first question is, “Are there any additional delivery services that should be unbundled?” In response, the Ameren Companies are unaware of any additional delivery services that “should” be unbundled. To the best of the Ameren Companies belief and knowledge, there has been no demand or call from customers or other interested parties in their service territories for further unbundling. From the Ameren Companies’ perspective, they are unaware of any compelling reason to further unbundle delivery services. The lack of any compelling reason undoubtedly stems from the minimal potential dollar savings, if any, that would come from such efforts in comparison to other opportunities. The dollar savings or margin enhancement in a customer choice environment can mostly be achieved in selling or buying the commodity, electricity. Hence, the focus has been and most likely will continue to be on this particular product, and not others.

This is not to say there can never be further unbundling of delivery services. The Ameren Companies are mindful that the Commission previously considered the propriety of customer handling as an unbundled service (which was rejected), and with the advent of new technology others may surface. However, at this juncture the demand for further

unbundling does not seem apparent. To the extent there is any interest in pursuing further unbundling, the Ameren Companies echo the statutory requirements that any such consideration take into account just and reasonable rates, electric utility employees, and the development of competitive markets for electric services. 220 ILCS 5/16-109.

The second question posed, “Should metering and billing services be further unbundled?” can largely be answered by referring to the above comments. The Ameren Companies are unaware that these services “should” be unbundled, as there has been no demand for changes of this kind. We are further unaware of any recent technological advancement that would support a further refinement of these unbundled services. Nonetheless, the Ameren Companies remain open to others’ suggestions and commentary in this proceeding.

Respectfully submitted,

By _____
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